

**COMMITTEE ON FINANCE**  
**(Standing Committee of Berkeley County Council)**

Chairman: Mr. Dennis L. Fish, District No. 5

Members: Mr. Milton Farley, District No. 1  
Mrs. Judith K. Spooner, District No. 2  
Mr. William E. Crosby, District No. 3  
Mr. Charles E. Davis, District No. 4  
Mrs. Judy C. Mims, District No. 6  
Mr. Caldwell Pinckney, Jr. District No. 7  
Mr. Steve C. Davis, Jr., District No. 8  
Mr. James H. Rozier, Jr., Supervisor, ex officio

The COMMITTEE ON FINANCE met on Monday, January 13, 2003, Berkeley County Office Building, 223 North Live Oak Drive, Moncks Corner, South Carolina, at 6:00 p.m.

PRESENT: Mr. Dennis L. Fish, Councilmember District No. 5, Chairman; Mr. Milton Farley, Councilmember District No. 1; Mrs. Judith K. Spooner, Councilmember District No. 2; Mr. William E. Crosby, Councilmember District No. 3; Mr. Charles E. Davis, Councilmember District No. 4; Mrs. Judy C. Mims, Councilmember District No. 6; Mr. Caldwell Pinckney, Jr., Councilmember District No. 7; Mr. Steve C. Davis, Councilmember District No. 8; Mr. James H. Rozier, Jr., Supervisor, ex officio; Mr. D. Mark Stokes, County Attorney; and Ms. Barbara Austin, Clerk of County Council.

The requirements of the Freedom of Information Act have been complied with by posting the time, date, place and agenda of this meeting of Berkeley County Council at the entrance to the Berkeley County Office Building, 223 N. Live Oak Drive, Moncks Corner, South Carolina, and a copy of such notice was mailed to all Councilmembers, the media, organizations and all interested citizens.

Chairman Fish called the meeting to order and asked the Committee's pleasure on the approval of Minutes for December 9, 2002.

It was moved by Councilmember Crosby and seconded by Councilmember Pinckney to approve the Minutes as stated. The motion passed by unanimous voice vote of the Committee.

Supervisor Rozier stated an Executive Session was needed to discuss matters relating to the employment, appointment, compensation, promotion, demotion, discipline, or release of an employee, a student, or a person regulated by a public body; and other matters covered by the attorney-client privilege.

It was moved by Councilmember Spooner and seconded by Councilmember Crosby to go into Executive Session for the reason stated. The motion passed by unanimous voice vote of the Committee.

The Committee on Finance went into Executive Session at 6:02 p.m. and returned at 7:10 p.m.

Mr. Stokes stated the Committee on Finance went into Executive Session to discuss matters as stated in the motion; no formal action was taken.

It was moved by Councilmember Crosby and seconded by Councilmember Pinckney that the Committee on Finance recess. The motion passed by unanimous voice vote of the Committee.

The Committee on Finance recessed at 7:12 p.m. and reconvened at 8:56 p.m.

Chairman Fish called the Committee on Finance back to order and stated that first on the agenda was Ms. Kace Smith, Berkeley County Finance Director, Re: Additional funds for Department.

Ms. Smith stated she was present to request \$6,700 from Contingency to be used for Professional Services for the IRS requirements incurred for the arbitrage computations. She stated they hired a firm out of Colorado and the fee was \$6,700.

It was moved by Councilmember Crosby and seconded by Councilmember Spooner to approve the request in the amount of \$6,700 to come from Contingency.

Supervisor Rozier stated this was in regard to the 1997 Bond issue and it is required by the Internal Revenue to give the figures on arbitrage. He stated the County drew enough interest to more than pay the \$6,700. So, there is no out of pocket funds. Also, when the calculations were done there was no money owed to the Federal Government from Berkeley County.

The motion passed by unanimous voice vote of the Committee.

Next was Mr. D. Mark Stokes, Berkeley County Attorney, Re: Additional funds for department –professional services.

Mr. Stokes indicated he was present to request additional funds in the budget for Professional Services, which is for outside Legal Counsel in three matters. One invoice was from the Goodstein Law Firm, and the total outstanding amount for fees in the case of Charles Davis versus Berkeley County is \$1,023.92. The other invoice was from Chris J. Loudon, PC, and the requested amount for the Board of Zoning Appeals fees is \$1,780.75. The total amount requested is \$2,804.67.

Councilmember Spooner asked what did the fees entail for the Board of Zoning Appeals? Mr. Stokes stated there were two appeals; 1) the Perritte matter; and 2) the Moorer matter where actual full hearings were held, and also, appeals to the Circuit Court. He stated the Legal Department represents the County's position, the Planning and Zoning Department. Mr. Loudon had been retained to represent the Board of Zoning Appeals. They had to have a separate

attorney, which is a qua si Judicial Board, and to make the determination. The applicant did not like the decision of the Zoning Board and the County is yet to appeal any.

Councilmember Steve Davis asked who determined the decision for an Attorney to represent the Board of Zoning Appeals? Mr. Stokes stated, pursuant to procurement he made three calls to see who could provide the lowest rate. Councilmember Steve Davis stated, "I never received a call."

Supervisor Rozier stated that in both of these cases Staff's position was opposite of the Board of Zoning Appeals. They chose not to pay attention to Staff's recommendation.

Councilmember Crosby asked what was the total cost? Mr. Stokes stated the total was \$2,804.67.

It was moved by Councilmember Crosby and seconded by Councilmember Farley to approve the request for additional funds for Professional Services in the amount of \$2,804.67 to come from Contingency.

Supervisor Rozier asked what was the grand total to the Goodstein Law Firm? Mr. Stokes stated \$4,929 was previously paid; so, the grand total was \$8,688.00

The motion passed by unanimous voice vote of the Committee.

Item C, Mr. Rembert Wrenn, Berkeley County Fire Commission, Re: fire Fee update.

Mr. Wrenn stated the package he provided the Committee concerns the fire fee increase and is for their review. If there were any questions Council may call him and he would be glad to assist them. He stated they had asked for a 3-½ mill increase for the fire fees to be put into one budget and distributed to the fire departments. The fee structure is noted in the package. The Special Fire Tax District would like to go forward this year with that recommendation.

Councilmember Mims asked would the grants the fire departments received change anything?

Mr. Wrenn stated they would try each year to get grants but it is not something they could count on. So, he would ask them not to consider that along with the fee structure. There are about three ways the fire departments can generate funds; 1) the County would have to take over and fund the program or either go with a small millage increase and put the money in the budget to be disbursed to departments that need it; 2) go back to the old system they had years ago. He stated he didn't think they needed to go back to that because there would be problems. Some departments may be able to come forward and request a fee increase in some of the larger areas where the public may support it. Some of the small departments may not come forward and even if they did, they may not get enough money to fund the program. Mr. Wrenn stated they tried that before, which was why they came to Council back in the early 80's and decided to put it

under a tax district status so they could move forward and allow the County to collect the fees for the fire departments.

Item D, Consideration prior to First Reading of the following:

1. An Ordinance authorizing and providing for the issuance of Water and Sewer System Revenue Bonds of Berkeley County, South Carolina; prescribing the form of bonds; limiting the payment of the bonds solely to the net revenues derived from the operation of the system and pledging the revenues to such payment; creating certain funds and providing for payments into such funds; and making other covenants and agreements in connection with the foregoing.

It was moved by Councilmember Spooner and seconded by Councilmember Mims to send the Ordinance to Council for First Reading. The motion passed by unanimous voice vote of the Committee.

2. First Supplemental Ordinance providing for the issuance and sale of Berkeley County, South Carolina, Water and Sewer System Revenue Bonds, series 2003, in the principal amount of not exceeding \$130,000,000; prescribing the form and details of such bonds; and other matters relating thereto.

It was moved by Councilmember Mims and seconded by Councilmember C. Davis to send the First Supplemental Ordinance to Council for First Reading.

Councilmember Spooner asked were they looking at \$98,000,000 in the beginning?

Mr. Jennings stated yes, the first number was \$99,000,000 and in the process of becoming more formal with the project they wanted to construct and the bonds they wanted to refund, the amount moved above \$99,000,000. He stated that Dan McLeod who is the County's Bond Counsel is very comfortable on subsequent readings lowering the amount but is not comfortable raising the amount without starting over. Mr. Jennings stated that is why they came back to Council with an amount that is \$130,000,000. There is no anticipation that it would approach \$130,000,000 but they wanted a number they would not go beyond, which is why it says not exceeding.

Councilmember Crosby stated that is an awful large increase for error; do they think it would be that many errors?

Mr. Jennings stated they have added paying off loans they have at the State Revolving Fund. The \$99,000,000 was a pretty precise number at that point and time but paying off State Revolving Funds makes life easier for them, doesn't cost them any money to speak of, and the projects that are going to be constructed with new money are what Council would review at Mr. Steve Davis' Committee meeting on February 10<sup>th</sup>. The \$130,000,00 is a number they thought was inconceivable that they go beyond. The working number they have at Staff's level is in the range of \$117,000,000. The underwriters chosen to work on this project think that it would be in

the County's best financial interest to go to the market in March. Without Council having Special meetings and readings they can't get to March. It is imperative that First Reading be done this month.

Supervisor Rozier stated the \$130,000,000 is not written in blood, it is only a number for First Reading and would be adjusted as they go along.

Councilmember Crosby asked was Mr. Jennings saying that it would cost \$130,000,000 to put water and sewer in every part of Berkeley County? Mr. Jennings replied, no, \$65,000,000 amount to bonds they are refunding. Bonds that have already been sold and would allow them to reduce the interest they are paying and thereby yield a savings. At this point there is approximately another \$55,000,000 of new construction, both in water and sewer. As noted from the newspaper, DHEC has made their final TMDL decision, and the cost that was going to be incurred by the citizens of Berkeley County to put even cleaner water into a river that doesn't seem to be having any significant problems. Improvements to the Treatment Plants are a \$12,000,000 new construction item. This Sewer System is approximately 25 years old. There are existing pump stations that are old and outdated, and are costing a lot of money in maintenance. So, a fair number of pump stations are scheduled for either upgrade or elimination. The funding for the Macedonia Water Project portion currently constructed to Shulerville/Honey Hill is in this Bond issue. EPA had provided a couple of million dollars to do the middle third of the project and the money to complete the line to Shulerville/Honey Hill community. Mr. Jennings stated it is those kinds of projects that the Staff had been looking at for a number of years but all of those would be presented to Council in great detail on February 10, 2003 to decide which projects would be constructed and which won't.

Councilmember Crosby asked if the only additional water and sewer that might be in the \$130,000,000 would be to the schools in Cross?

Mr. Jennings stated water to Cross is in the project. There are 21 projects totaling approximately \$11,000,000 for water. On the sewer side, including upgrade or elimination of pump stations, there are approximately 60 projects.

Councilmember Crosby indicated he wanted to be clear as to whether they were paying off old debts and refurbishing the sewer plant and pump houses, or were they adding all of the money to get water and sewer to other locations in the County. Mr Jennings stated, "all of the above." Councilmember Crosby asked what is the percentage of money that would be spent on water and sewer to residents and schools? Mr. Jennings stated the proposal of what Staff has worked, the current number reflects \$55,000,000 for new construction projects; \$45,000,000 for sewer; and about \$11,000,000 for water. So, there would be approximately \$56,000,000 of new construction. Bond refunding is about \$65,000,000. On the new construction, that's about 85 projects of one sort or another costing as low as \$100,000 to \$200,000 and going as high as \$12,000,000, which is their estimated cost for improvements to the Treatment Plant.

The motion to send the First Supplemental Ordinance for the Water and Sewer System Revenue Bonds to Council for First Reading passed by unanimous voice vote of the Committee.

Chairman Fish stated Item E was Review prior to Second Reading of the following:

1. Bill No. 02-77, an Ordinance to develop a jointly owned and operated industrial/business park in conjunction with Orangeburg County, such industrial/business park to be geographically located in Berkeley and Orangeburg Counties and established pursuant to South Carolina Code of Laws of 1976 §4-1-170, et sequitur, as amended; to provide for a written agreement with Orangeburg County providing for the expenses of the park, the percentage of revenue application, and the distribution of fees in lieu of ad valorem tax to the counties and relevant taxing entities; and, to provide that jobs tax credits allowed by law be provided for industries locating in said park, and to permit a user fee in lieu of ad valorem taxation.

Supervisor Rozier there is a company that would be partially located in both Berkeley and Orangeburg counties. In order for them to receive the fee in lieu, they had to be combined into a Multi-County Park and had to include Orangeburg County.

It was moved by Councilmember Spooner and seconded by Councilmember Crosby to send Bill No. 02-77 to Council for Second Reading. The motion passed by unanimous voice vote of the Committee.

2. Bill No. 02-78, An Ordinance authorizing the issuance of not exceeding \$35,850,000 principal amount Berkeley County, South Carolina Pollution Control Refunding Revenue Bonds (South Carolina Generating Company, Inc. project), pursuant to Chapter 3, Title 48, volume 16, Code of Laws of South Carolina 1976, as amended; the execution and delivery of a loan agreement, a bond trust indenture, a bond purchase agreement, a tax compliance agreement and other documents related thereto in connection therewith; approving the execution and distribution of an official statement; authorizing the proper officers to do all things necessary or advisable in connection with the foregoing; and other matters incidental thereto.

Supervisor Rozier stated this is the refunding of the South Carolina Electric & Gas (SCANA) Company Bonds and has no affect on the County. He stated the County has no responsibility for these Bonds. It simply has to be approved because they are Revenue Bonds.

It was moved by Councilmember Crosby and seconded by Councilmember Spooner to send Bill No. 02-78 to Council for Second Reading. The motion passed by unanimous voice vote of the Committee.

Item F, Consideration of a Resolution further establishing policies for the use of credit cards, financial institution accounts, and financial services by county employees and elected and appointed officials.

Supervisor Rozier stated in an attempt to carry out Council's directions to himself and the Finance Department and exploring charges on credit cards, etc., he found he had to have a Resolution passed by Council to give him authorization to gather that information.

It was moved by Councilmember Pinckney and seconded by Councilmember Crosby to send the Resolution to Council for adoption. The motion passed by unanimous voice vote of the Committee.

Item G, Consideration of a Resolution further clarifying the County policy regarding travel and expense reimbursement for elected officials.

It was moved by Councilmember Spooner and seconded by Councilmember Crosby to send the Resolution to Council for adoption.

Councilmember Mims asked for an explanation of the Resolution.

Supervisor Rozier stated periodically individuals receive an advance and there should be a rule that the advance has to be returned to the County if not used. He stated it is not a good practice to make hotel reservations and fail to cancel if you don't go. Consequently, the County has to pay and he thinks that is not a good practice.

Councilmember Steve Davis asked how would they check and balance? Supervisor Rozier indicated they would call to check.

Councilmember Pinckney asked would this be a good time to address what is currently being paid for travel? He stated they may need to take into consideration the inflation of gas prices. Supervisor Rozier suggested they look at that during the new budget year.

The motion passed by unanimous voice vote of the Committee.

The report from the Committee on Justice and Public Safety was omitted because it did not entail additional funding but a transfer.

It was moved by Councilmember Crosby and seconded by Councilmember Spooner to adjourn. The motion passed by unanimous voice vote of the Committee.

The Meeting adjourned at 9:20 p.m.

February 17, 2003  
Date Approved

**COMMITTEE ON FINANCE**  
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Mr. Caldwell Pinckney, Jr., District No. 7  
Mr. Steve C. Davis, District No. 8  
Mr. James H. Rozier, Jr., Supervisor, ex officio

A Meeting of the COMMITTEE ON FINANCE, Standing Committee of Berkeley County Council, will be held on Monday January 13, 2003, in the Assembly Room, Berkeley County Office Building, 223 North Live Oak Drive, Moncks Corner, South Carolina, following the Meeting of the Committee on Committee on Public Works and Purchasing, the Committee on Land Use, the Committee on Planning and Development, the Committee on Water and Sanitation, the Committee on Human Services, the Committee on Community Services and the Committee on Justice and Public Safety at 6:00 pm.

**AGENDA**

**EXECUTIVE SESSION** to discuss matters relating to the employment, appointment, compensation, promotion, demotion, discipline, or release of an employee, a student, or a person regulated by a public body; and other matters covered by the attorney-client privilege.

**APPROVAL OF MINUTES**

December 9, 2002

- A. Ms. Kace Smith, Berkeley County Finance Director, Re: Additional funds for Department.
- B. D. Mark Stokes, Berkeley County Attorney, Re: Additional funds for department – professional services.
- C. Mr. Rembert Wrenn, Berkeley County Fire Commission, Re: Fire fee update.
- D. Consideration prior to First Reading of the following:
  - 1. An Ordinance authorizing and providing for the issuance of Water and Sewer System Revenue Bonds of Berkeley County, South Carolina; prescribing the form of bonds; limiting the payment of the bonds solely to the net revenues derived from the operation of the system and



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F. Consideration of a Resolution further establishing policies for the use of credit cards, financial institution accounts, and financial services by county employees and elected and appointed officials.

G. Consideration of a Resolution further clarifying the County policy regarding travel and expense reimbursement for elected officials.

H. REPORTS FROM STANDING COMMITTEES:

Justice and Public Safety

Mrs. Judy C. Mims, Chairman

1. Berkeley County Sheriff: Additional funds

January 8, 2003

S/Barbara B. Austin

Clerk of County Council